

Message to the Senate Transmitting an International Labor Organization Convention Concerning Discrimination With Respect to Employment and Occupation

May 18, 1998

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Convention (No. 111) Concerning Discrimination (Employment and Occupation), adopted by the International Labor Conference at its 42nd Session in Geneva on June 25, 1958. Also transmitted is the report of the Department of State, with a letter dated January 6, 1997, from then Secretary of Labor Robert Reich, concerning the Convention.

This Convention obligates ratifying countries to declare and pursue a national policy aimed at eliminating discrimination with respect to employment and occupation. As explained more fully in the letter from Secretary Reich, U.S. law and practice fully comport with its provisions.

In the interest of clarifying the domestic application of the Convention, my Administration proposes that two understandings accompany U.S. ratification.

The proposed understandings are as follows:

“The United States understands the meaning and scope of Convention No. 111 in light of the relevant conclusions and practice of the Committee of Experts on the Application of Conventions and Recommendations which have been adopted prior to the date of U.S. ratification. The Committee’s conclusions and practice are,

in any event, not legally binding on the United States and have no force and effect on courts in the United States.

“The United States understands that the federal nondiscrimination policy of equal pay for substantially equal work meets the requirements of Convention 111. The United States further understands that Convention 111 does not require or establish the doctrine of comparable worth with respect to compensation as that term is understood under United States law and practice.”

These understandings would have no effect on our international obligations under Convention No. 111.

Ratification of this Convention would be consistent with our policy of seeking to adhere to additional international labor instruments as a means both of ensuring that our domestic labor standards meet international requirements, and of enhancing our ability to call other governments to account for failing to fulfill their obligations under International Labor Organization (ILO) conventions. I recommend that the Senate give its advice and consent to the ratification of ILO Convention No. 111.

WILLIAM J. CLINTON

The White House,
May 18, 1998.

Remarks at the World Trade Organization in Geneva, Switzerland

May 18, 1998

Thank you very much, Director General Ruggiero, Federal Councillor Couchepin. Your Excellencies, thank you for the opportunity to address you on this most important occasion.

Near the end of World War II, as leaders and ordinary citizens began to dream of a system that would prevent a return to war, President Franklin Roosevelt asked the people of the

United States and the world to look ahead to peace with these words: He said, “A basic essential to permanent peace is a decent standard of living for all individual men and women and children in all nations. Freedom from fear is eternally linked with freedom from want.”

It was that understanding that led a farsighted generation of postwar leaders, determined to

avoid past errors of protectionism and isolationism, to embrace what was then still a revolutionary idea, that freedom, freely elected governments, free markets, the free flow of ideas, the free movement of people would be the surest route to the greatest prosperity for the largest number of people.

They were also confident that growing economic interdependence would lead to greater peace among nations. The economic alliances and institutions they created—the IMF, the World Bank, the GATT—built a platform for prosperity and peace that has lasted down to the present day.

In the fullness of time, events have confirmed the convictions of the founders of the international system. World trade has increased fifteenfold; average tariffs have declined by 90 percent; the trading community has grown from 23 nations to 132, with 31 more working to join. Russia and China, where the shackles of state socialism once choked off enterprise, are moving to join the thriving community of free democracies. Trade is creating prosperity among the nations of the Americas and offers hope to the emerging economies of Africa and Asia.

On the edge of a new millennium, our people are creating a new economy, a very different one from that our founders faced 50 years ago. The new one is driven by technology, powered by ingenuity, rewards knowledge and teamwork, flexibility and creativity, and draws us closer across the lines that have divided us for too long.

On any given day, over 3 million people take to the air on commercial flights. Three decades ago phone lines could only accommodate 80 calls at one time between Europe and the United States. Today, they can handle one million calls at one time. In the United States alone, economic output has tripled while the physical weight of goods produced has barely changed. The world's new wealth largely comes from the power of ideas.

This new global economy of ideas offers the possibility but not the guarantee of lifting billions of people into a worldwide middle class and a decent standard of living, the opportunity to give their children a better life. Yet it also contains within it, as we all know, the seeds of new disruptions, new instabilities, new inequalities, new challenges to the balance of work and family, of freedom and security, of equal

opportunity and social justice, of economic growth and a sustainable environment.

The challenge of the millennial generation here gathered is, therefore, to create a world trading system, attuned both to the pace and scope of a new global economy and to the enduring values which give direction and meaning to our lives. We took the first vital step when we created the World Trade Organization in 1995, a goal that had alluded our predecessors for nearly half-century. The Uruguay round that founded the WTO amounted to the biggest tax cut in history, \$76 billion a year when fully implemented. Since that event, world trade has increased by 25 percent. Since 1995, we also have begun to build an infrastructure for this new economy, with historic agreements on information technology, telecommunications, and financial services, which together affect trillions of dollars in global commerce every year.

At the G-8 summit just concluded in Birmingham, the leaders worked on ideas to strengthen the international financial architecture so that private capital markets can spur rapid growth while minimizing the risk of worldwide economic instability. Now, we must build on these achievements with a new vision of trade to construct a modern WTO for the 21st century. I would like to offer you my suggestions.

First, we must pursue an ever more open global trading system. Today, let me state unequivocally that America is committed to open trade among all nations. Economic freedom and open trade have brought unprecedented prosperity in the 20th century; they will widen the circle of opportunity dramatically in the 21st. One-third of the strong economic growth we have enjoyed in America these past 5 years was generated by trade. For every country engaged in trade, open markets dramatically widen the base of possible customers for our goods and services. We must press forward.

Redoubling our efforts to tear down barriers to trade will spur growth in all our countries, creating new businesses, better jobs, higher incomes, and advancing the free flow of ideas, information, and people that are the lifeblood of democracy and prosperity. At the U.S.-EU summit in London today, we embraced this goal and committed ourselves to reducing barriers and increasing trade in a dozen important areas.

No matter how much some people might wish otherwise, globalization and the technology revolution are not policy choices; they are facts. The choice is whether we shape these forces of a new economy to benefit our people and advance our values or retreat behind walls of protection to be left behind in the race for the future.

At a moment when, for the first time in all human history, a majority of the world's people live under governments of their own choosing; when the argument over which is better, free enterprise or state socialism, has been won; when people on every continent seek to join the free market system, those of us who have benefited most from this system and led it must not turn our backs. For my part, I am determined to pursue an aggressive market opening strategy in every region of the world. And I will continue to work with Members of our Congress, in both parties, to secure fast-track negotiation authority.

Second, we must recognize that in this new economy, the way we make trade rules and conduct trade affects the lives, daily, and the livelihoods and the health and the safety of ordinary families all over the world. Therefore, our efforts to make the trading system more open must themselves be made more open.

In order to build a trading system for the 21st century that honors our values and expands opportunity, we must do more to ensure that spirited economic competition among nations never becomes a race to the bottom in environmental protections, consumer protections, or labor standards. We should be leveling up, not leveling down. Without such a strategy, we cannot build the necessary public support for continued expansion of trade. Working people will only assume the risks of a free international market if they have the confidence that the system will work for them.

The WTO was created to lift the lives of ordinary citizens. It should listen to them. I propose the WTO, for the first time, provide a consultative forum where business and labor and environmental and consumer groups can provide regular and continuous input to help guide further evolution of the WTO. The U.S. and the EU agreed today to provide such a forum as part of our new trade agenda. It is far more important for the WTO to follow suit. When this body convenes again, the world's trade ministers should sit down with representatives of the broader public to begin to do this.

Third, we must actually do more to harmonize our goals of increasing trade and improving the environment and working conditions. Expanded trade can and should enhance the environment. Indeed, the WTO agreement, in its preamble, explicitly adopts sustainable development as an objective of open trade, including a commitment to preserve the environment and to increase the capacity of nations to do so. Therefore, international trade rules must permit sovereign nations to exercise their rights to set protective standards for health and safety, the environment and biodiversity. Nations have a right to pursue those protections, even when they are stronger than international norms.

I am asking that a high-level meeting be convened to bring together trade and environmental ministers to provide strong direction and new energy to the WTO's environmental efforts in the years to come, a suggestion that has already been made by Sir Leon Brittan of the European Commission.

Likewise, the WTO and the International Labor Organization should commit to work together to make certain that open trade does lift living standards and respects the core labor standards that are essential not only to worker rights but to human rights. I ask the two organizations' secretariats to convene at a high level to discuss these issues.

This weekend, the G-8 leaders voiced support for the ILO's adoption of a new declaration and a meaningful followup mechanism on core labor standards when the ILO ministers meet next month here in Geneva. I hope you will add your support. We must work hard to ensure that the ILO is a vibrant institution. Today I transmitted to our Senate for ratification the ILO convention aimed at eliminating discrimination in the workplace.

Because this new economy is based on ideas, information, and technology, the return on investment in education has never been higher, and the adverse consequences of being without skills has never been greater. These trends cannot be reversed. Our goal, therefore, must be to help more people benefit from the possibilities of the new economy, even as we ensure that the forces of technology and new trade patterns do not aggravate inequality or reinforce poor labor conditions.

Here I must add even as we do more to harmonize our goals of more trade and higher incomes for ordinary people, each nation must

do more to provide universal access to quality education and training. Without that, no trade rules, however wisely conceived or effected, can guarantee individual success to the people we are really trying to reach.

Fourth, we must modernize the WTO by opening its doors to the scrutiny and participation of the public. Through long trial and error, we have learned that governments work best when their operations are open to those affected by their actions. As American Supreme Court Justice Louis Brandeis said a long time ago, "Sunshine is the best of disinfectants."

The WTO should take every feasible step to bring openness and accountability to its operations. Today, when one nation challenges the practices of another, the proceeding takes place behind closed doors. I propose that all hearings by the WTO be open to the public and all briefs by the parties be made publicly available. To achieve this, of course, would require a change in the rules of this organization. But each of us could do our part now. The United States today formally offers to open up every panel we are a party to, and I challenge every other nation to join us in making this happen.

Today, there is no mechanism for private citizens to provide input in these trade disputes. I propose further that the WTO provide the opportunity for stakeholders to convey their views, such as the ability to file amicus briefs to help inform the panels in their deliberations. Today, the public must wait weeks to read the reports of these panels. I propose that the decisions of the trade panels be made available to the public as soon as they are issued.

Fifth, we must have a trading system that taps the full potential of the information age. This revolution in information technology is the greatest force for prosperity in our lifetimes. The Internet is the fastest growing social and economic community in history, a phenomenon with unimagined revolutionary potential to empower billions around the world. It has been called the "death of distance," making it possible for people to work together across oceans as if they were working together across the hall.

When I became President, there were only 50 sites on the World Wide Web. Four years ago there were still less than 3 million people with access to the Internet. Today, there are over 100 million people, with the number doubling every year.

Today, there are no customs duties on telephone calls, fax messages, E-mail, or computer data links when they cross borders. We have spent 50 years tearing down barriers to trade in goods and services. Let us agree that when it comes to electronic commerce, we will not erect these barriers in the first place. I ask the nations of the world to join the United States in a standstill on any tariffs on electronic transmissions sent across national borders. We cannot allow discriminatory barriers to stunt the development of the most promising new economic opportunity in decades.

Earlier today at the summit of the EU, we agreed to deepen our collaboration in this area. And last week, the Japanese Prime Minister, Mr. Hashimoto, and I, agreed to move forward together with a market-oriented, private-sector-led approach to enhance privacy, protect intellectual property, and encourage the free flow of information and commerce on the Internet. I hope we can build a consensus that this is the best way to harness the remarkable potential of this new means of communication and commerce.

Sixth, a trading system for the 21st century must be comprised of governments that are open, honest, and fair in their practices. In an era of global financial markets, prosperity depends upon government practices that are based upon the rule of law rather than bureaucratic caprice, cronyism, or corruption. Investors demand it. And their loss of confidence can have sudden, swift, and severe consequences, with ripples throughout entire regional economies.

With its insistence on rules that are fair and open, the WTO plays a powerful role toward open and accountable government. But the WTO must do more. When we meet next year, all members of the WTO should agree that government purchases should be made through open and fair bidding. This single reform can open up \$3 trillion worth of business to open competition around the world. And I ask every nation to adopt the antibribery convention developed by the OECD. Both these steps would promote both investor confidence and stability.

Finally, we must develop an open global trading system that moves as fast as the global marketplace. In an era in which new products' lifecycles are measured in months and information and money move around the globe in seconds, we simply can no longer afford to take 7 years to finish a trade round, as happened

during the Uruguay round, or to let decades pass between identifying and acting on a trade barrier we all know ought to fall.

In the meantime, new industries arise, new trading blocs take shape, and governments invent new trade barriers every day. We should explore what new type of trade negotiating round or process is best suited to the new economy. There must be a way to tear down barriers without waiting for every issue in every sector to be resolved before any issue in any sector is resolved. There must be a way to do this that is fair and balanced to nations large and small, rich and poor. Surely we can negotiate trade agreements in a way that is faster and better than the way we have followed to date.

For example, agriculture, which I understand has been discussed quite a bit here, is at the heart of our economy and many of yours. Tearing down barriers to global trade is, I believe, critical to meeting the food needs of a growing world population. Starting next year, we should aggressively begin negotiations to reduce tariffs and subsidies and other distortions that restrict productivity and the best allocation of food. We must develop rules rooted in science to encourage the full fruits of biotechnology. And I propose that even before negotiations near conclusions, WTO members should pledge to continue making annual tariff and subsidy reductions so that there is no pause in reform.

We have to recognize that the fastest growing area of economic activity in the world is services, the one least disciplined by WTO rules. So when services negotiations are launched, I think it is essential to engage in wide-ranging discussions to ensure openness for dynamic service sectors, such as express delivery, environmental, energy, audiovisual, and professional services.

We have to continue our strong momentum to dismantle industrial tariffs. A good place to start would be an agreement on the sectors from chemicals to environmental technology proposed by APEC. And we must move forward in strengthening intellectual property protection.

These are my proposals for a 21st century trading system: one that is more open and accountable; one that listens to the voices of citizens; that works to protect the environment and lift the lives and incomes of ordinary people; one that is in sync with the information age; that promotes honest, effective government; and that makes better, faster decisions. In short, a trading system based on the new economy and old, enduring values. To move forward, I am inviting the trade ministers of the world to hold their next meeting in 1999 in the United States.

I ask you to think about the opportunity that has been presented to all of us: the chance to create a new international economy in which open markets and open economies spark undreamed of innovation and prosperity; in which the skills of ordinary citizens power the prosperity of entire nations; in which the global economy honors those same values that guide families in raising their children and nations in developing good citizens; in which poor people, at last, find opportunity, dignity, and a decent life; in which increasing interdependence among nations enhances peace and security for all.

This will be the world of the 21st century if we have the wisdom and determination, the courage, and the clarity of our forebears 50 years ago.

Thank you very much.

NOTE: The President spoke at 7:48 p.m. at les Palais des Nations in a ceremony commemorating the 50th anniversary of the General Agreement on Tariffs and Trade. In his remarks, he referred to Renato Ruggiero, Director General, World Trade Organization; Pascal Couchepin, Federal Councillor and Head of the Federal Department of Public Economy of Switzerland; Sir Leon Brittan, Vice President of the European Commission; Prime Minister Ryutaro Hashimoto of Japan; the Organization for Economic Cooperation Development (OECD); and the Asia-Pacific Economic Cooperation (APEC).